

**NOTES AND STATEMENT OF LIMITATIONS AND METHODOLOGIES REGARDING THE
DEBTOR'S PETITION SCHEDULES OF ASSETS AND LIABILITIES AND SOFA**

An involuntary Chapter 7 Bankruptcy Petition was filed for Fitzpatrick Container Company (the "Debtor") on October 19, 2020. The Debtor's Principals did not prepare Petition Schedules, however, the Petitioning Creditors' Counsel Smith Kane Holman LLC ("SKH") provided various incomplete Schedules. In addition, the Trustee and her professionals made numerous inquiries to former Debtor personnel and its professionals, and through these inquiries obtained various incomplete financial, accounting and tax records. These Schedules were prepared using the limited available incomplete information that the Bankruptcy Estate was able to obtain from multiple sources. All assets have been presented with both Net Book Values as of 12/31/19 per the Debtor's records and current estimated values of zero (\$0), because the Trustee has no knowledge of whether these assets still exist or are collectible, and as such their values are unknown. The following summarizes the procedures used and certain limitations:

- Bank Account Balances: Bank balances were obtained from a Debtor Trial Balance as of December 31, 2019 (the "TB"), but current balances are not known. The TB indicates that there appears to have been accounts at several financial institutions, but the Debtor provided no bank records. The Trustee's Counsel issued subpoenas to several banks and is beginning to receive responses.
- Accounts Receivable ("A/R"): A/R was obtained from a December 31, 2019 A/R Aging that the Trustee was able to recover. Supporting sales invoices and collection histories were not provided by the Debtor. Accordingly, the Bankruptcy Estate cannot determine whether any of these balances are collectible or accurate.
- Other Assets: All other assets (such as inventory, fixed assets, loans and other receivables, deposits, prepayments, etc.) were obtained from the TB. Fixed assets are presented at their net book value net of accumulated depreciation. All assets were included for disclosure purposes only, but the Bankruptcy Estate cannot determine whether any of the assets still exist, nor can it determine their current values.
- Liabilities: The Bankruptcy Estate reviewed the claims register, draft lists prepared by Debtor's Counsel, UCC filings, a Debtor Accounts Payable ("A/P") aging as of December 31, 2019, and the TB to accumulate and determine liabilities. In cases where these sources had conflicting amounts or information, the most recent source and/or the claims register was relied upon rather than the A/P aging or TB. Since no supporting documentation has been provided to verify amounts, all liabilities were classified as disputed.
- Statement of Financial Affairs ("SOFA"): The Bankruptcy Estate used a draft SOFA provided by SKH. Since no other information is available, no changes were made to the SOFA provided by SKH.

In several instances, the Debtor's available records had amounts but did not identify the sources of assets or payees of creditors, so the descriptions remain unknown. Due to the lack of cooperation from the Debtor's Principals and the incomplete records that were obtained, the Trustee and her professionals used their best efforts to prepare these Schedules from the limited available information. The Trustee and her professionals have no first-hand knowledge of the Debtor's assets, liabilities and SOFA, and therefore cannot attest to the accuracy or completeness of these Schedules.

Fill in this information to identify the case:

Debtor name Fitzpatrick Container Company

United States Bankruptcy Court for the: Eastern District of PA
(State)

Case number (If known): 20-14139-pmm

☐ Check if this is an amended filing

Official Form 206Sum

Summary of Assets and Liabilities for Non-Individuals

12/15

Part 1: Summary of Assets

1. **Schedule A/B: Assets—Real and Personal Property** (Official Form 206A/B)

1a. Real property: Copy line 88 from <i>Schedule A/B</i>		\$ <u>0.00</u>
1b. Total personal property: Copy line 91A from <i>Schedule A/B</i>	Net book value at 12/31/2019: \$7,506,936.51	\$ <u>0.00 / unknown</u>
1c. Total of all property: Copy line 92 from <i>Schedule A/B</i>	Net book value at 12/31/2019: \$7,506,936.51	\$ <u>0.00 / unknown</u>

Part 2: Summary of Liabilities

2. Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D) Copy the total dollar amount listed in Column A, <i>Amount of claim</i> , from line 3 of <i>Schedule D</i>	\$ <u>5,213,858.52</u>
3. Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)	
3a. Total claim amounts of priority unsecured claims: Copy the total claims from Part 1 from line 5a of <i>Schedule E/F</i>	\$ <u>Unknown</u>
3b. Total amount of claims of nonpriority amount of unsecured claims: Copy the total of the amount of claims from Part 2 from line 5b of <i>Schedule E/F</i>	+ \$ <u>6,170,382.44</u>
4. Total liabilities Lines 2 + 3a + 3b	\$ <u>11,384,240.96</u>

Note: Debtor ceased operations in 2020, its records were incomplete, and most recent available information was a 12/31/19 Trial Balance. See Statement of Limitations.